

# XDEX

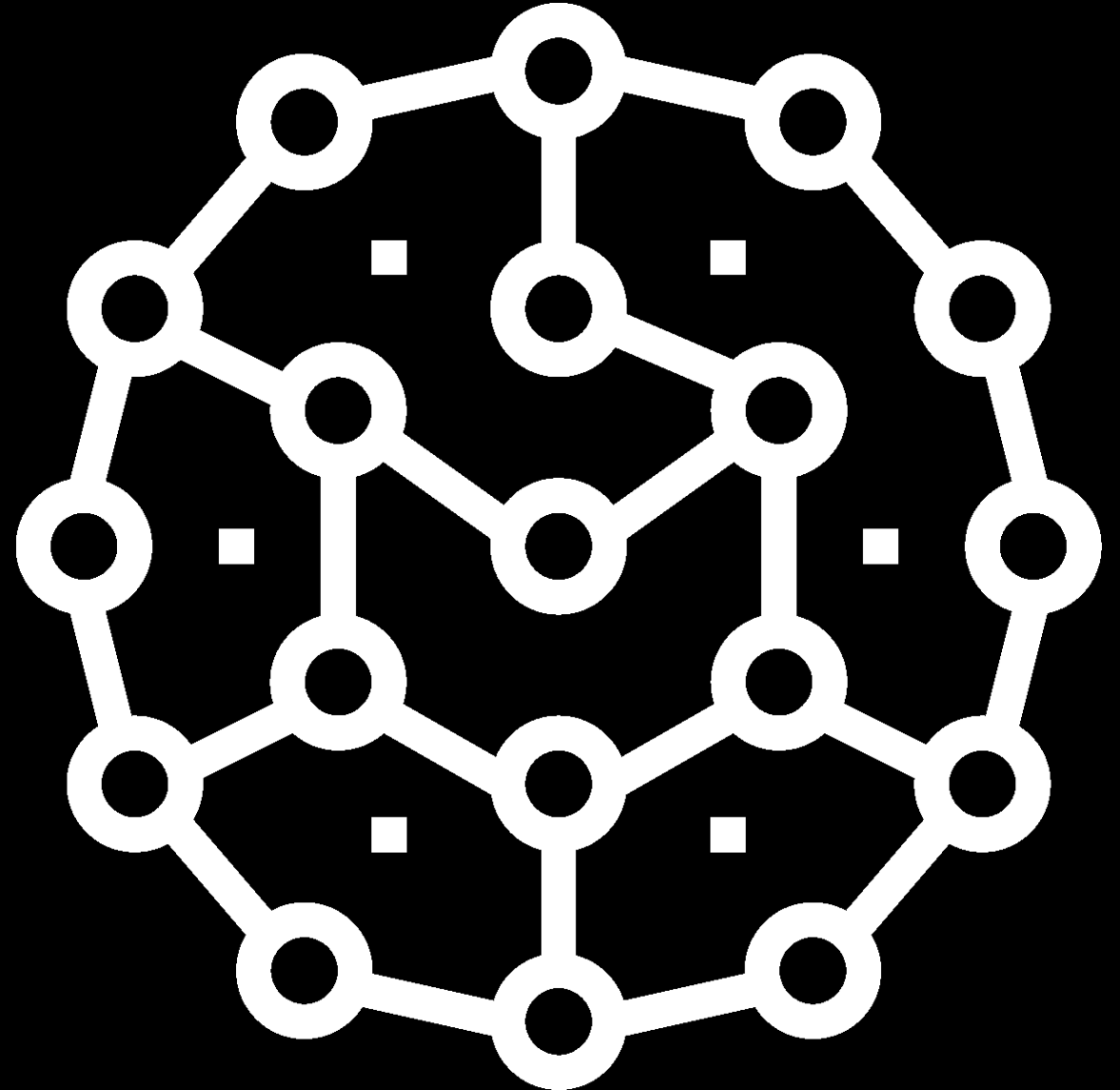
Distributed Ledger Technology for  
Early Stage Capital Markets

**10XTS**

General Inquiries: [info@10xts.com](mailto:info@10xts.com)

10XTS Website: <https://10xts.com>

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## **Caution Concerning Forward Looking Statements:**

The Offering Documents contain forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. We caution you that forward-looking statements in the Offering Documents are not exclusive to those statements containing the words set forth in the preceding list.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in the Offering Documents on our current expectations and projections about future events and trends that we believe may impact 10XTS.

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- ✓ Blockchain offers a new approach to managing and settling financial transactions. It is being proposed as a ***solution to many of the inadequacies that plague enterprises***, specifically within the Financial Services Industry (FSI) and early stage capital markets.
- ✓ It has also introduced a new architecture, where all participants work from common data, in near real-time, and where ***inefficient, redundant back-office operations are either streamlined or eliminated***.
- ✓ This represents a ***significant opportunity for cost-savings and higher returns*** through more efficient use of capital for the mainstream Financial Services Industry.
- ✓ Many enterprises and governments are currently exploring blockchain solutions, but the ***market has yet to fully embrace the technology***.
- ✓ ***Several factors are causing organizations to hesitate***. Chief among them are unresolved regulatory issues, lack of in-depth understanding of blockchain technology, and the absence of enterprise-level solutions and platforms that meet the performance requirements necessary for the Financial Services Industry.
- ✓ 10XTS is a software solutions company that collaborates with its clients to deliver blockchain products and solutions. 10XTS has launched ***XDEX, a Blockchain-as-a-Service (BaaS) platform***, to make the transition possible.

# Market Insights

## Enterprise adoption of blockchain to accelerate

*Enterprise blockchain solutions spending to hit \$2.1 billion in 2018, will grow to \$9.7 billion in 2021*

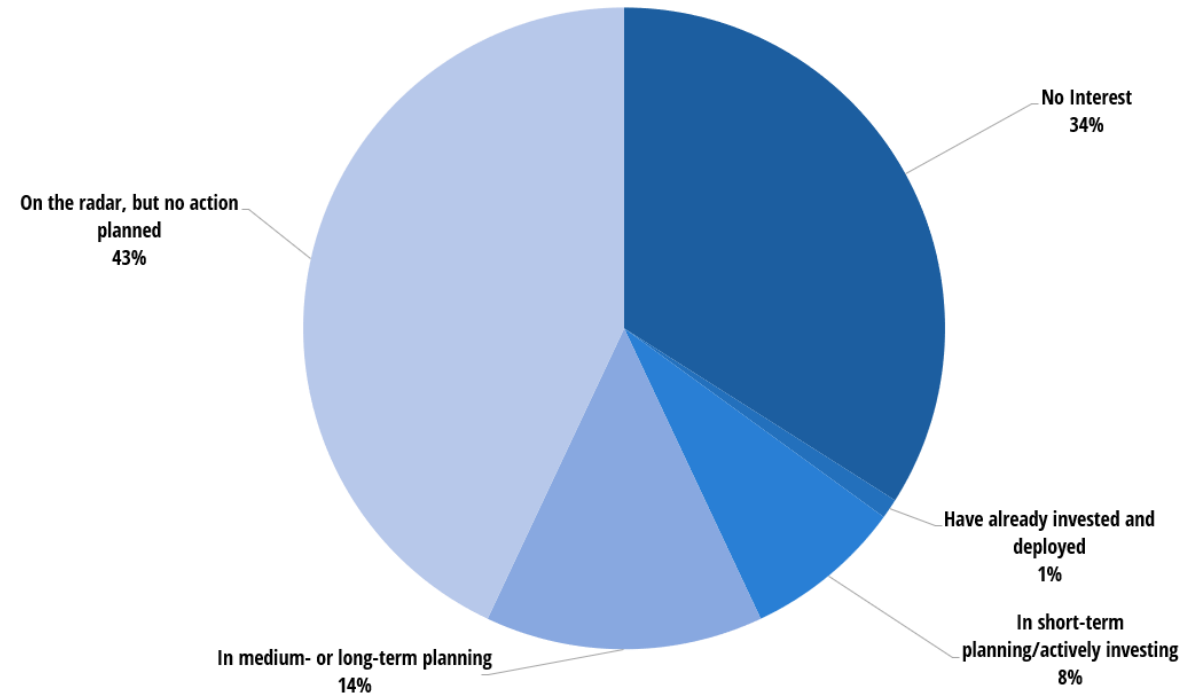
- ✓ Gartner's 2018 CIO Survey indicates blockchain's business value-add will grow to \$176 billion by the year 2025
- ✓ Value add will grow to \$3.1 trillion by 2030
- ✓ 1% of CIOs indicate active blockchain adoption
- ✓ 8% are in short-term planning and pilot execution
- ✓ 77% have no current plans yet—despite massive media, the majority of the growth is still ahead
- ✓ 85% of banking CIOs indicate interest in blockchain technology
- ✓ **In Financial Services, 5% of CIOs report active investment and 48% are in active planning**

### SOURCES:

- Gartner CIO Survey, May 2018
- Ernst & Young Blockchain Summit Poll, March 2018
- DC Worldwide Semiannual Blockchain Spending Guide, January 2018
- Coindesk Q2 2018 Blockchain Sentiment Survey, August 2018
- Gartner Predicts 2018: Top Predictions in Blockchain Business, November 2017

### WHAT ARE YOUR ORGANIZATION'S PLANS IN TERMS OF BLOCKCHAIN?

Source: Gartner (May 2018)



# Barriers to Adoption

Obstacles Still Remain For Distributed Ledger Technology Adoption By Main Street Financial Services and Capital Markets

Regulatory  
Complexity

Legacy  
Enterprise  
Technology

Credibility of  
Blockchain  
("Crypto  
Madness")

Skills Gap &  
Talent Scarcity

Vulnerabilities of  
Public Networks

Network Scaling  
& Transaction  
Throughput

Status Quo  
Mindset

Illegal Content  
on Public  
Networks

Lack of  
Understanding of  
Blockchain  
Technology

Governance  
Issues

Lack of  
Standards

Security Issues

Secure Data  
Storage

Lack of Stable  
Development  
Tools

Poor User  
Experience

Smart Contracts

Lack of Rule-  
based  
Transaction  
Constraints

Blockchain  
Startups Not  
Enterprise  
Focused

# The Opportunity

Growth forecasts + identified adoption challenges have opened a window of market opportunity

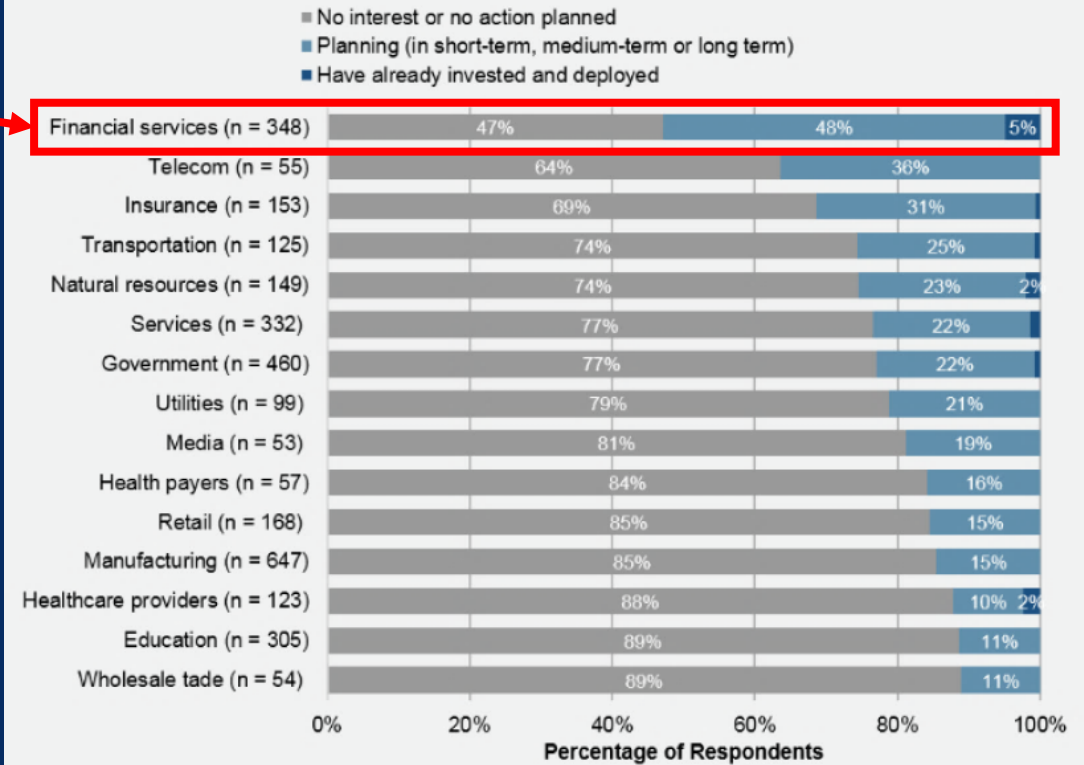
*Based upon the market growth forecasts, combined with the current obstacles, the next two years represent the window of opportunity for the companies that can successfully connect the dots in financial services blockchain.*

## The Solution

Frustrated with the business obstacles, technical complexity and quality of blockchain technology options on the market, 10XTS is determined to deliver a solution that:

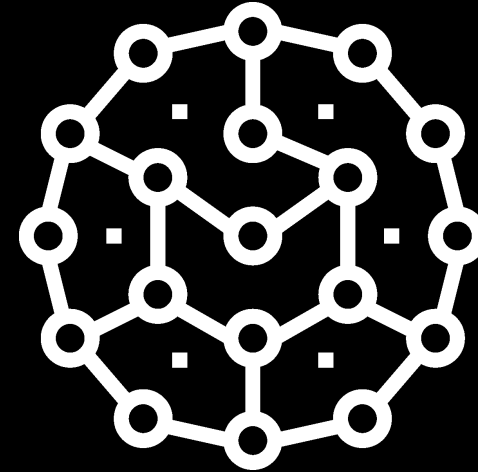
1. capitalizes on the obvious window of market opportunity; and
2. solves the obstacles prohibiting adoption of blockchain and distributed ledger technology by traditional, mainstream enterprise and FSI and capital markets.

Adoption Plans for Blockchain by Vertical



The XDEX platform helps overcome many adoption barriers for enterprises and early stage capital

Permissioned Ecosystem	Enterprise-grade Blockchain	Enterprise Cloud
Intentional Blockchain Governance Design	Platform User Tokens	Platform Wallet
Regulatory-compliant Identity	"Smart Contracts" in Native Code	Enterprise-grade Account Structure
Auditing and Compliance Framework	Advanced Business Rule Engine	Internal Microservices & Payment Token – XBT



# XDEX

XDEX enables smart business leaders and early stage capital participants to incorporate the power of a cloud-based, distributed ledger blockchain into their strategic business growth and data strategy — while ensuring security, governance, compliance and risk assurance.

# XDEX User Tokens

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XDEX classifies transactions and token types to enforce the rules around tokenized assets

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- ✓ XDEX enables platform users to create, issue, manage, trade and report custom token types.
- ✓ The XDEX ecosystem uses a taxonomy with three primary classes of tokens with several subclasses for each to ensure proper management, governance, compliance and reporting based on use cases:

## Class 1: Native Utility Tokens

- Basic Payment Tokens
- Infrastructure Access Tokens
- Application Access Tokens
- Application Settlement Tokens

## Class 2: Counterparty Tokens

- IOU Tokens
- Derivative Tokens
- Fund Tokens
- Equity Tokens
- Membership Tokens

## Class 3: Ownership Tokens

- Joint Ownership Tokens
- Co-Ownership Tokens
- Sole Ownership Tokens



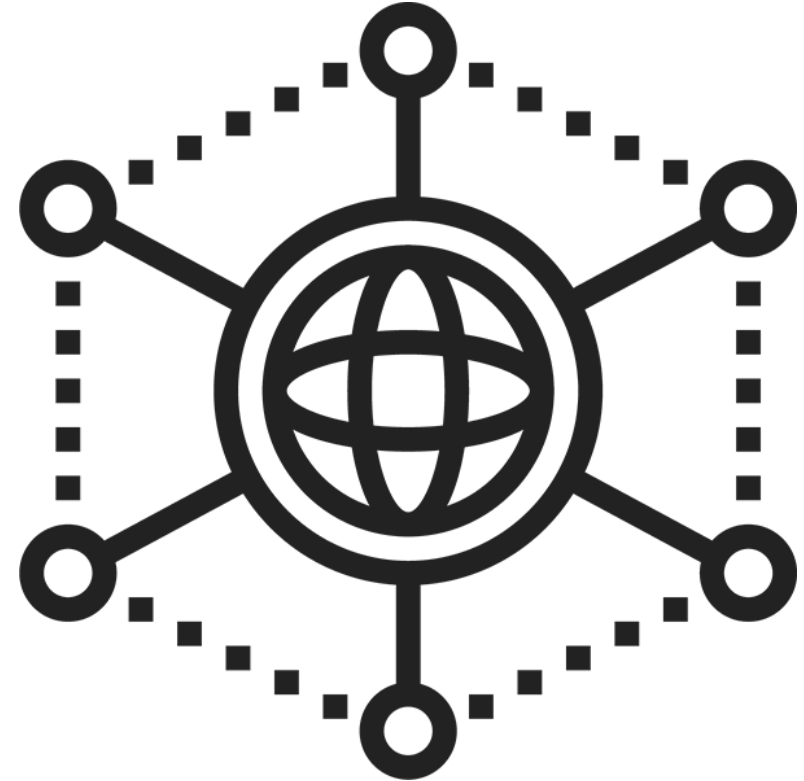
# XDEX Token - XBT

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The XBT token powers the platform as a microservices token to pay for computing

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- ✓ Microservices token provides access to XDEX platform services
- ✓ Is the XDEX internal store of value and core blockchain currency
- ✓ Used to pay for blockchain ledger, computing, data, and ecosystem services, as well as for staking as voting participants in the XDEX ecosystem governance
- ✓ Generated by operating Primary Witness Nodes in exchange for the services of writing blocks to maintain the ledger (a form of mining)
- ✓ Not a financial security and should not be purchased for any other reason other than to use the XDEX platform and related services

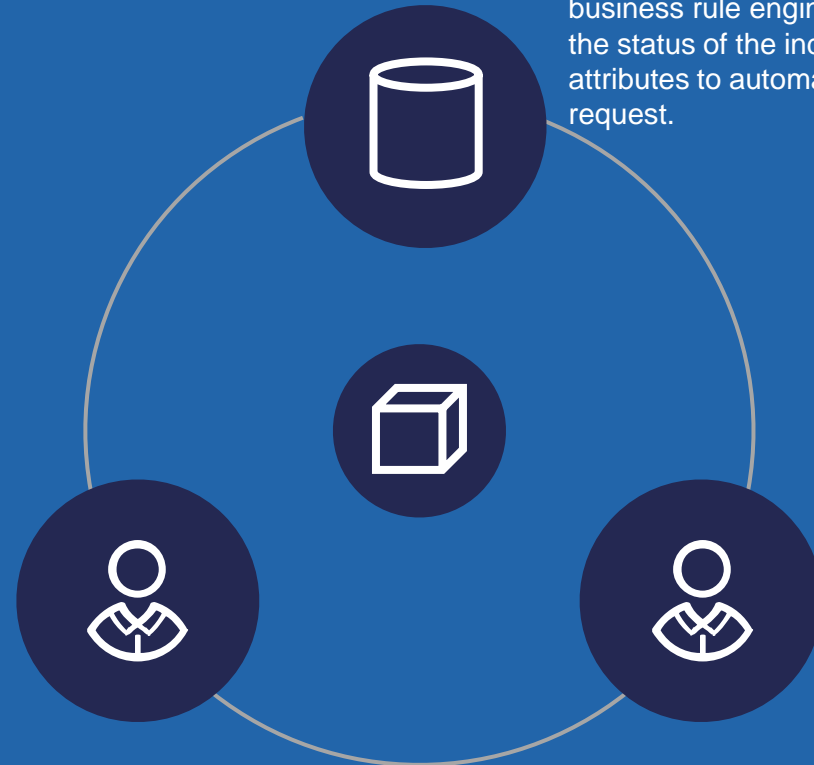


# Business Rule Engine

XDEX will use a “business rule engine” (BRE) to ensure code logic to enforce transaction rules

- ✓ The XDEX roadmap includes an integrated expert system business rule engine to provide automatic approval or rejection of any given transaction based on the logic and constraints about the actors and token asset within a given use case.
- ✓ Supports any regulatory or business requirements framework based on the classification of a particular token type within the XDEX ecosystem.

**Entity A**  
Entity A initiates a transaction for a specific asset in the XDEX ecosystem to send the asset token to Entity B.



## XDEX Platform

User & Asset Metadata is checked in the business rule engine of the platform to determine the status of the individual actors and asset attributes to automatically pass or fail transaction request.

**Entity B**  
Entity B wishes to receive the specific asset token from Entity A within the XDEX ecosystem.

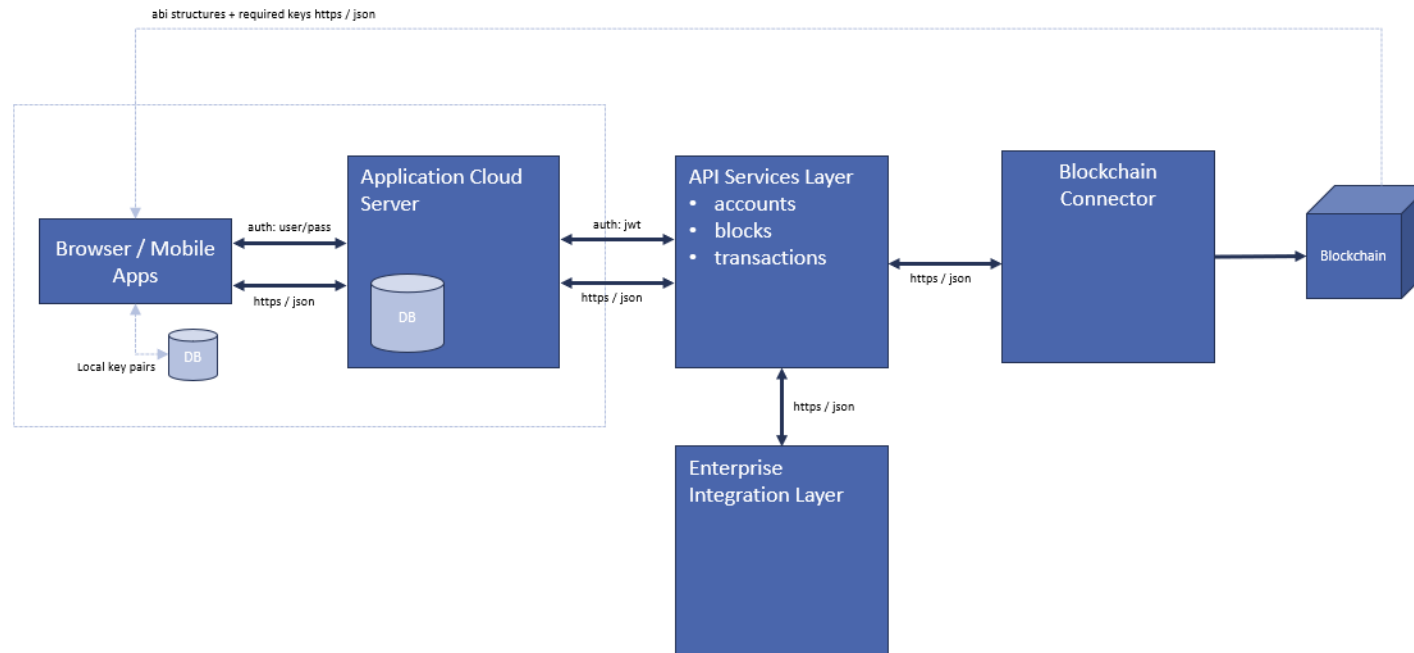
## Entities May Be Anonymous

The two entities may or may not have direct knowledge of the identity of the other depending on use case and application.

# XDEX Enterprise Cloud

The XDEX Enterprise Cloud makes it easy for enterprises to integrate as a BaaS framework

- ✓ Accelerate development by exposing XDEX Blockchain functionality as a reusable set of APIs for consumption
- ✓ Provide secure and controlled access to XDEX Enterprise Cloud APIs in a hybrid cloud environment
- ✓ Enable a consortium ecosystem with a wider community of external developers and partners who will publish and consume XDEX Enterprise Cloud
- ✓ Monetize existing and new data and algorithms while enabling new business models



# Compliance Framework

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The combination of features and approach makes XDEX a trusted framework for compliance

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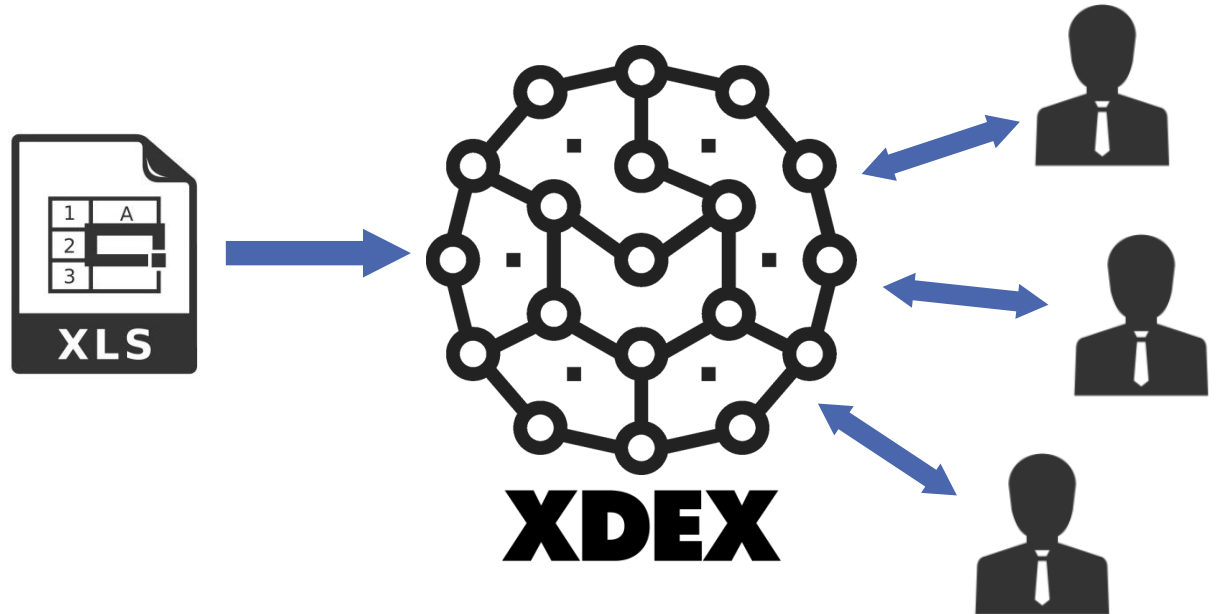
- ✓ Uses international standards-based tagging for data
- ✓ Can be formatted in any way to meet compliance and reporting needs
- ✓ Multi-lingual support
- ✓ Can facilitate electronic filing with regulatory agencies



# 10XTS Security Tokens

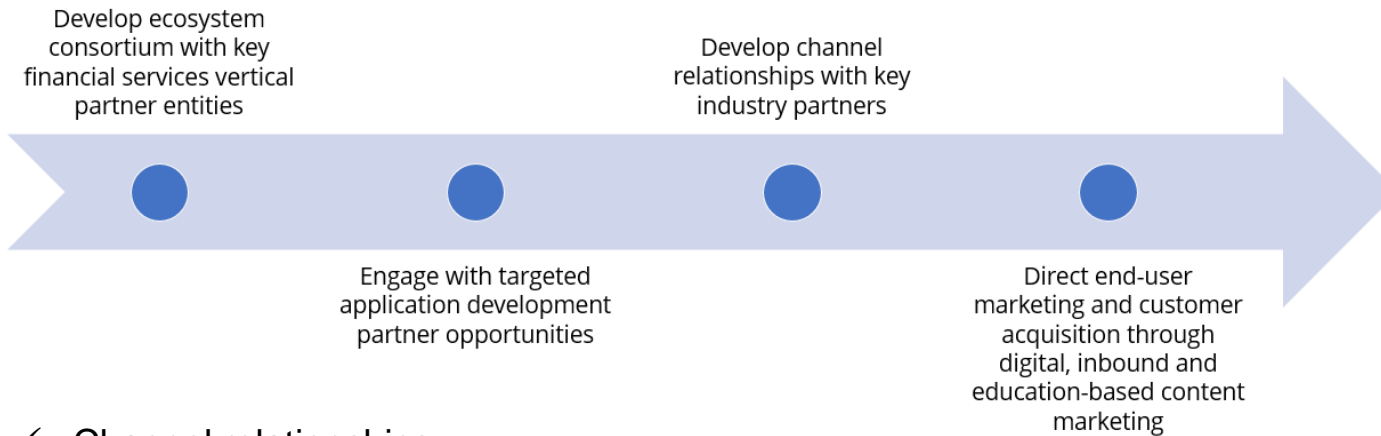
10XTS is tokenizing its own company shares and capitalization table on XDEX

- ✓ Eliminates the centralized Excel spreadsheet at the law firm
- ✓ Investors get tokens that designate their share ownership
- ✓ Increased transparency & immutability of transaction records for the company from the beginning
- ✓ Positions the company for the future of tokenized securities assets
- ✓ Demonstrates an actual live use case of the XDEX ledger for finance
- ✓ **10XTS using a Regulation Crowdfunding project to bring on new investors to prove the concept**
- ✓ Tokenized capitalization tables of new companies creates the future basis for “securities tokens”



# Go-to-Market Strategy

10XTS is taking XDEX to the market as our flagship product targeting startup & early stage capital asset creation



- ✓ Channel relationships
- ✓ Key partnerships with traditional financial industry
- ✓ Influence marketing via social media
- ✓ Press releases and publications
- ✓ Paid advertising campaigns to targeted audiences
- ✓ Subject matter expertise & speaking, content marketing
- ✓ Conferences & Industry event participation
- ✓ Inbound marketing automation
- ✓ Personal networks

**The Regulation Crowdfunding campaign is essential because it establishes the live use case of XDEX as an enterprise Blockchain-as-a-Service ecosystem for early stage funding capital markets**

# Target Markets

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We're targeting early stage capital investing market participants:  
startups, funds, investors, etc...

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## For Startups

Tokenize your cap table to ease ownership administration, store corporate records and easily manage access to information



## For Investors

Track ownership with the immutability of the blockchain, access corporate records and information to make better decisions



## For VC Funds

Manage deal flow portfolios, ease fund administration with LPs and provide better access to deal room information



## For Accelerators

Ensure companies are prepared for tokenized equity markets of the future, provide better access to graduate information



## For Broker Dealers

Provide investor clients with access to alternative asset classes, ensure compliance and reporting for transactions and transfers



## For Legal

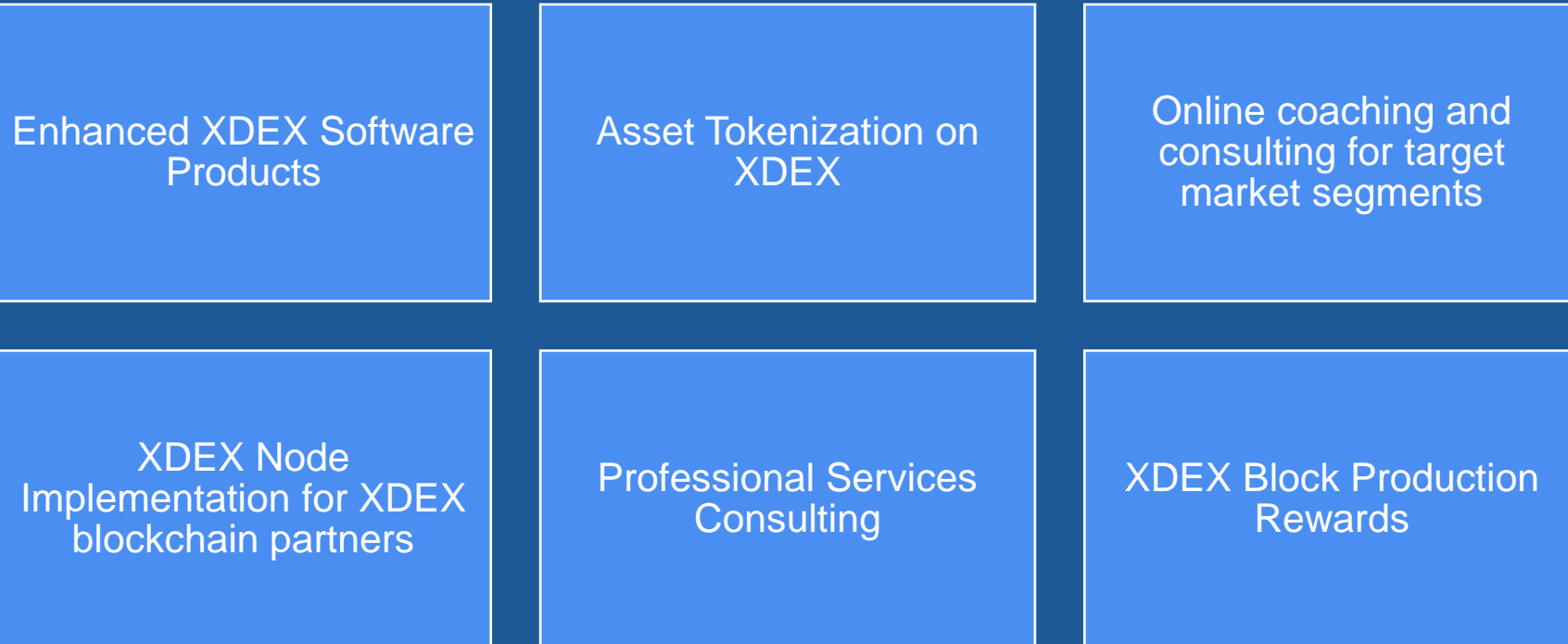
Ensure client information is accurate in real time, consolidate ownership and record-keeping, provide regulatory reporting

# Revenue Model

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The 10XTS revenue model has multiple streams of combined product & services

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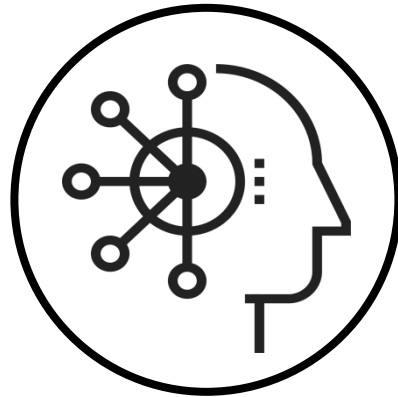
# About 10XTS

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## 10XTS architects and develops successful business, software, data & blockchain solutions

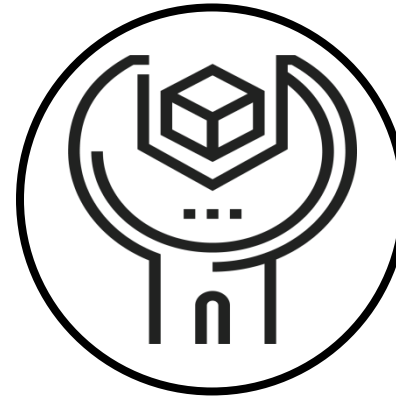
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- ✓ 10XTS delivers a seamless portfolio of end-to-end business and technical services to help smart business leaders leverage opportunities in the market and accelerate growth.
- ✓ From strategic road-mapping to technical implementation, our world-class team is ready to guide organizations towards success.



### Blockchain Business Consulting

- Opportunity Evaluation
- Operational Risks
- Business Modeling
- Blockchain Strategy



### Blockchain Technology Development

- Architecture & Scope
- Security & Devops
- Application Development
- Enterprise Integration

# Partners

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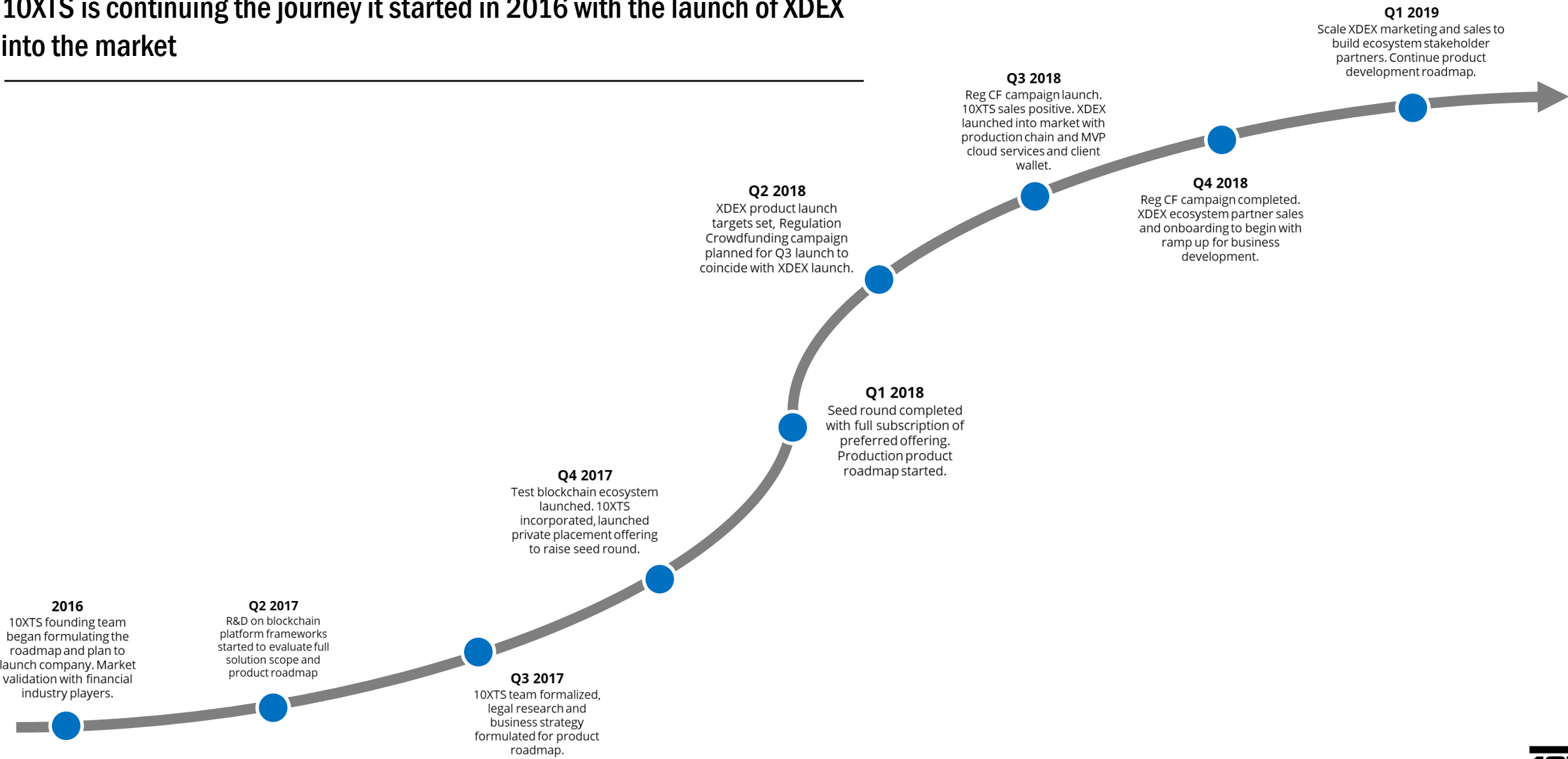
10XTS has entered into strategic affiliations to help launch and build the XDEX ecosystem

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# Roadmap

10XTS is continuing the journey it started in 2016 with the launch of XDEX into the market



# Capital Funding & Budget

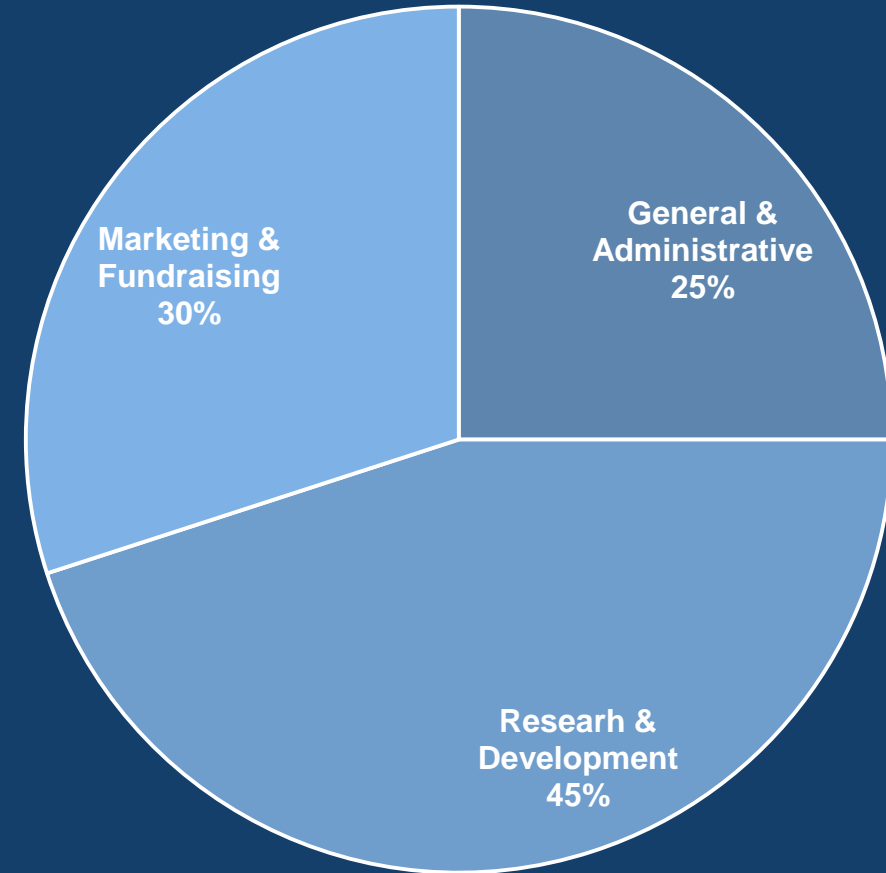
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After a successful pre-seed round, 10XTS is raising a round via Regulation Crowdfunding

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- ✓ Raised pre-seed round early 2018 from individuals and early stage VC funds
- ✓ Raising another round Q3 2018 via Regulation Crowdfunding to allow public investors
- ✓ Establishes the go-to-market strategy for XDEX

## Funding Budget



# Team

A highly-experienced, multi-disciplinary team with significant capability to execute and deliver

## Management Team



**Michael Hiles**  
Founder, CEO



**Robert Slater**  
Founder, COO



**John Bentley, II**  
Founder, CTO



**Yogesh Kadiyala**  
Founder, Lead Developer

## Advisory Team



**Steve Thomas**  
Chief Growth Advisor



**Bhaskar Mukhopadhyay**  
Chief Finance Advisor



**Jack Harris, Ph.D**  
A.I. & Cyber Advisor



**Glenn Lawyer, Ph.D**  
Mathematics Advisor



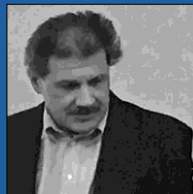
**David Cain**  
Banking & Wealth Advisor



**Brian Thomas**  
Community Development Advisor



**Chris Bates**  
Blockchain Security Advisor



**Randy Cole**  
Economics Advisor



**Chiru B.**  
Enterprise Architecture Advisor

# Contact Us

General Inquiries: [info@10xts.com](mailto:info@10xts.com)

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